

EXHIBIT A

From: RetailDeck <info@RetailerWebServices.com>

Date: July 20, 2018 at 1:33:39 AM EDT

To: [REDACTED]

Subject: another update: what's happening with RetailDeck and ADC

A lot has happened in just a few short days. Here are the latest developments from today, July 19th.

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Breaking News: new communication from ADC

As of this evening, we still haven't received any communication directly from Ken Miele. We are still anxious to receive an answer to those [three simple and important questions](#). But we did receive this email from the ADC office:

"ADC has turned the Retail Deck Inventory Feed files back on for all dealers. RWS should receive files for each dealer in the next scheduled run at 12:15PM.

Please feel free to, not only populate the dealers websites with the information but, reestablish all Retail Deck account access as well."

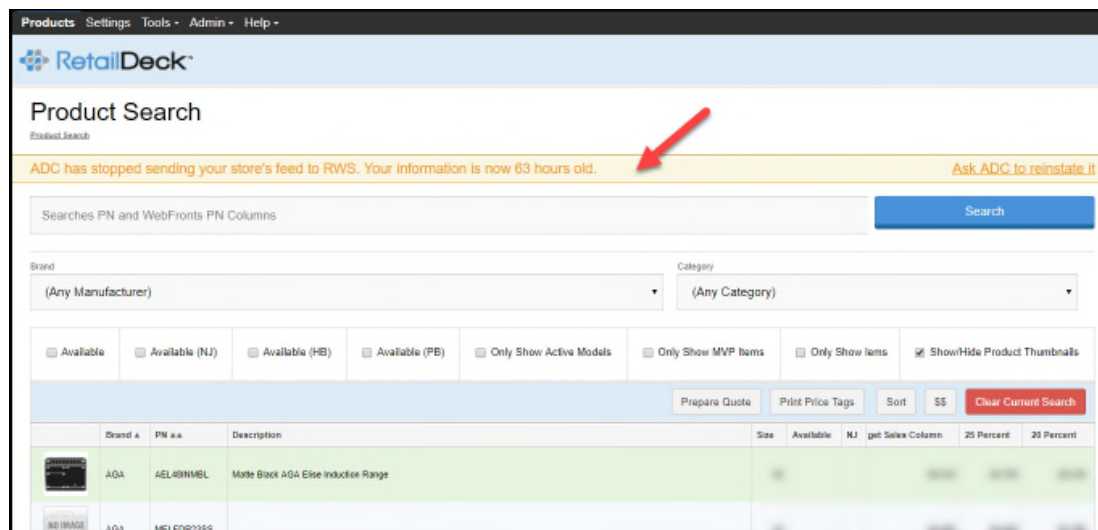
Your RetailDeck account has been reinstated.

Our team has been busy monitoring the feeds, reinstating RetailDeck accounts and testing all integrations. Every ADC member should now have access to RetailDeck with current inventory/pricing information. If you cannot log into your account or see anything amiss, please contact us right away by responding to this email or calling 800-417-2799 ext 1 for support.

RetailDeck will warn you if your feed is not current:

When you log into RetailDeck (store owner and store admin accounts only), you will see a

yellow bar across the top of your screen *if we have not received a feed for your store within the last 60 minutes*. It would look like this:



If you do not see a yellow warning bar, that means all is well and your data is current. This automated warning system will remain in place moving forward for your continued peace of mind.

We've been asked a lot of questions about the images with "Plessers.com" on HomeSource websites:

One of the videos we shared last night ([this one](#) specifically) showed HomeSource websites displaying product images with a Plessers.com watermark. Plessers is a NECO member that makes their own website. Here are the most common questions we received today about that and the facts to answer them.

Q: Are those images still there...and how many are there?

We did a little digging and found a *lot* more than we expected; see what we found in this [6 minute video](#) about these images.

Follow Up: Our investigation unearthed a possible major security concern with HomeSource sites. We have alerted ADC and HomeSource.

You can learn more about it in the same [video](#) from above.

Q: Has HomeSource ever done anything like this before?

Public trials are part of the public record; anyone can view the official documents and transcripts of the lawsuits a company and their officers have been involved in. The White family, owners of HomeSource and similar other businesses, appear to have a history of their business relationships ending in lawsuits against them.

They were found guilty of making **negligent misrepresentations about the capabilities of their software in a federal lawsuit** ([Civil Action No. 3:12-CV-0090](#)). In a unanimous decision, the jury awarded their customer – Furniture Distributors Inc, a chain of furniture stores – \$450,000. The judge later deemed the counter-claims they alleged along the way “totally meritless” and ordered them to pay Furniture Distributors Inc fifty thousand dollars to reimburse attorney fees in addition to the four hundred fifty thousand dollars already awarded them at trial. The honorable Judge Graham C. Mullen wrote:

“Defendant failed to offer any evidence in support of this proposition. Defendant argues that it believed it had a basis for these claims at the time they were brought, but certainly it discovered that they were meritless at some point before trial. Its persistence in pressing these claims through discovery and depositions—and submitting them as issues for trial—amounts to a bad faith prosecution of the claims and justifies an award of attorney fees in this case.”

Despite the ruling, **Furniture Distributors Inc sued Homesource again when Homesource failed to make any of the payments ordered** ([Case 3:15-CV-00313](#)). In this federal lawsuit, their former customer alleged the White family **fraudulently transferred assets** to prevent having to pay the judgement and **engaged in unfair and deceptive trade practices**.

Their 2nd suit against the Whites cited **yet another federal lawsuit Homesource was involved in** at the time ([Case 3:15-CV-00122](#)). This suit was filed by Martin Salas, a consultant Homesource hired after the previous judgement to sell their products and assist in the transferring of assets, when he alleges Homesource failed to pay his outstanding compensation of \$10,000/month and document the ownership stake he was promised in the White family entities. You can read his account in [Exhibit B](#).

The ownership of the Homesource app software itself appears to be in question throughout these cases. During these federal lawsuits, the Whites alleged it is really owned by their retired school-teacher mother, Phyllis White. They produced 2 short and unsophisticated documents outlining a fifty thousand dollars per year plus 20% of sales royalty agreement. During Phyllis' deposition she did not know or could not recall:

- the name of the software
- what the software does
- when she acquired it
- who developed it
- if whoever gave it to her had the right to do so
- who drafted the license agreement
- how long the agreement is
- where the agreement is

- or what the agreement entailed.

And despite the signed license agreements that were furnished during these cases, in lines 3 – 7 of page 59 of her deposition, Phyllis states she was not aware of even executing any agreement to license her app or accounting software to Homesource and its president Greg White.

FURNITURE DISTRIBUTORS, INC. v. JAMES R. WHITE, JR., ET AL.		Page 59
Phyllis White on 12/11/2015		
1	business. I had nothing to do with any kind of	
2	licensing or anything else.	
3	Q Well, are you aware that you executed	
4	a licensing agreement with Greg White?	
5	A No.	
6	Q You are not aware of that?	
7	A I said no.	

These matters are far from ancient history as they were just recently resolved; the [last document](#) is dated August 30th, 2016.

Q: Did ADC know about HomeSource's checkered legal history?

We have tried diligently to keep these communications strictly factual. We have no facts to share with you on this one. But we do have an opinion:

*****Opinion Editorial by Jim Kane*****

In my opinion, I think the likelihood ADC leadership was aware of HomeSource's past legal transgressions is very small. I find it hard to believe that anyone aware of this legal history would choose to place this company and these individuals in the position of high trust that goes along with operating eCommerce websites or a platform that handles sensitive and confidential information. Also, although this information is a matter of public record, it did take quite a bit of effort to locate. I believe they were unaware of these facts.

Several ADC members have asked for help connecting with other members that have concerns about the events of this week:

We don't want to presume, overstep or share contact information without your explicit permission. If you would like to be connected with other concerned members, click the button below and supply your contact information. We'll let you connect without us in the middle.

Connect Me

We would be thrilled to work with ADC:

The last few days have been challenging, but let us be clear. We would be thrilled to work

with ADC on deeper ordering integration, improvements to RetailDeck, the introduction of AdRocket to power vendor-funded digital advertising like we have done to great success with Intercounty, and any other projects that will help ADC members succeed in this rapidly changing retail environment. Our door is open. The welcome mat is out.

If you have more questions for us:

You are welcome to respond to this email or call us.

- *Jim Kane, CEO and Founder of RWS*
- *and Jennie Gilbert, COO*

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